

House Labor, Health and Human Services, Education and Related Agencies
Subcommittee on Appropriations
Oral Testimony
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President
Committee for Education Funding
Washington, DC

Summary: Ms. Henderson will present testimony concerning the need for a substantial increased investment for education over the President's Fiscal Year 2005 budget request for the U.S. Department of Education.

The Committee for Education Funding (CEF), a nonpartisan coalition of over one hundred organizations reflecting the broad spectrum of the education community, would like to thank you, Mr. Chairman, for granting us the opportunity to testify before your subcommittee today. We commend you and the committee for your efforts last year to restore funding for almost all of the programs cut in the President's FY 04 budget and urge you to take the same strong position again this year.

CEF is greatly concerned about the inadequate and disappointing funding levels for education in the President's FY 2005 (FY 05) budget request. The FY 05 budget provides the smallest increase for education in close to a decade. It again calls for the elimination of over \$1.4 billion in critical education programs including school reform, student aid and research laboratories. It also cuts vocational and technical education by 24% and freezes the majority of education programs at FY 04 levels, including afterschool, the Pell grant maximum award and campus-based aid for students pursuing higher education.

Overall the proposed budget barely meets the current services levels for our nation's students from pre-kindergarten to college when inflation and enrollment growth are considered. More disturbing, the federal commitment to growth in education investment declines sharply from 18% in FY 02 to only 3% in FY 05. The President's budget continues to decline by \$1.5 billion in FY 06 and remains virtually frozen through FY 09. The cumulative cut of \$5 billion from FY 05 to FY 09 is a stunning reversal in education investment at a time of growing student needs.

For FY 05, the funding levels in the President's budget, as well as those reported out by the House and Senate Budget Committees, mean that 4.6 million students will not be fully served under Title I of the No Child Left Behind program. They mean that the nation's 6.8 million students with disabilities will have less than half of the funding promised for special education costs under IDEA. And they mean that the maximum Pell Grant award for over five million needy postsecondary students will remain at the same level for the third year in a row, enough to pay only 34% of the average cost of attending college, down from 42% in 2001.

Now is not the time to curtail investment in education. States across our nation continue to feel the pressure of a severe fiscal crisis with more than half of states

projecting a cumulative budget shortfall of \$35 billion in FY 05. Students and faculty are seeing more cuts and freezes in state aid for elementary, secondary and postsecondary schools as the costs of federal standards and accountability requirements escalate and the enrollment of needy college students reaches record levels.

In his *Jobs for the 21st Century* initiative, the President makes a strong statement linking education and training to new job skills and economic growth and productivity. Undeniably, education is the key to economic success. Increasing the country's average level of education by even one year can boost economic growth by up to 15 percent. The most recent Census data shows that those with higher educational attainment have higher lifetime earnings, pay more in taxes, and contribute to innovation and growth in the U.S. economy. The federal commitment to education investment is now more crucial than ever if America's students are to gain the knowledge and skills needed to succeed in the 21st Century.

CEF urges Congress to make a substantial increased investment in education funding for FY 05 to move education investment from the current 2.7 cents on the federal budget dollar toward at least five cents to meet the pressing needs of America's students. A recent poll shows that 85% of the American public supports spending at least five cents of every federal dollar for education and 59% support spending more than five cents (Ipsos Public Affairs, September 2-4, 2003).

This increase would help 15 million disadvantaged students meet new test requirements and take a significant step toward promised funding levels for millions of students with disabilities. It would also provide comprehensive support services to help disadvantaged and minority students prepare for and successfully complete a postsecondary education and help these students pay for college. It would allow needed increases for vital programs frozen in the President's budget such as Impact Aid, 21st Century Learning Centers, technology, teacher training and magnet schools. The increase would also provide all education programs with at least the funds needed to offset the costs of inflation and enrollment growth.

We are counting on you to provide a substantial increased education investment for FY05 -- from pre-school to college and on through lifelong learning -- to strengthen our economic and national security and provide America's students with the knowledge and skills necessary to succeed in the 21st Century.